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SUBJECT: SCO SECRETARIAT, PRC SCHOLARS DISAGREE ON SCO  
MANDATE

Classified By: Political Minister Counselor Aubrey Carlson. Reasons 1.4  
(b/d).

11. (C) SUMMARY: Central Asian staff at the Shanghai Cooperation Organization (SCO) secretariat and Chinese scholars offered clashing views on the SCO's mission, reflecting differences between China and other member states. Umad Azizov, an Uzbek at the SCO Secretariat, stressed the SCO's role in forging security links and the sharing of counter-terrorism information. Azizov admitted, however, that specific security cooperation measures remain undefined. Two Chinese researchers, on the other hand, said China views the SCO primarily as an economic organization and suggested Beijing knows it must resolve internal tension between security and economic goals if the SCO is to succeed. For the researchers, instability in Afghanistan poses the major potential challenge for the SCO. All these contacts said Western countries misunderstand the SCO.  
END SUMMARY.

Secretariat: Security is Central

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12. (C) Umad Azizov, an Uzbek senior expert at the SCO Secretariat, told Poloff September 17 that security

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cooperation has always been the primary focus of the SCO. The development of specific political, economic, social and other goals is still in its infancy, and only in the security sphere has the organization shown concrete progress. The high-profile PEACE MISSION 2007 joint military exercise in August, as well as the more modest joint counter-terrorism exercise COOPERATIVE 2007 in September, showed the primacy of the SCO's security agenda, he argued.

13. (C) COOPERATIVE 2007, which focused on coordination between Russian and Chinese police forces, aimed publicly to de-emphasize the military dimension of security cooperation, Azizov said. He said there are no near-term plans for additional military exercises, although security cooperation on counter-terrorism will continue. Member countries are exchanging counter-terrorism information and developing bilateral efforts to deal with transnational terrorism in the

region. Azizov called these "Interpol-style links," but added tht communication under the SCO goes deeper than under Interpol. For example, the SCO is developing a "unified database" for member countries to share counter-terrorism information.

But SCO Not a NATO of the East  
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14. (C) Nevertheless, Azizov insisted, the SCO is not comparable to NATO and not on a trajectory to develop into a military alliance. Citing the lack of formal political and military structures within the SCO, Azizov added that there is no basis for such a military alliance among SCO member countries at present. Xia Yishan, senior research fellow at the MFA-affiliated China Institute of International Studies, echoed this sentiment in a September 17 conversation, but conceded that Russia may view the SCO as a counterweight to U.S. power in the region. He insisted that China shares many common interests with the United States and said Beijing does not view the SCO as an anti-U.S. organization.

Short on Specifics  
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15. (C) When pressed to describe the actual mechanism by which SCO member countries could draw on the shared security resources available through the organization, the Secretariat's Azizov acknowledged that no specific process is in place and that existing UN structures are still the primary channel for security coordination. A SCO member country in need of security assistance may seek such support from other members, but this request at present would be directed through the UN. For emergency situations, he added,

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"response specifics are still being developed."

Economic Links Key for China  
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16. (C) Despite media attention to security exercises, Xia said, for now, economics remains the SCO's "fundamental purpose," and development of Central Asia's oil resources is the "number one goal" of the SCO. Beijing, Xia said, emphasizes the economic potential of the SCO, whereas Russia is more interested in opportunities for security cooperation. Noting Russia's long history of involvement in Central Asia, Xia added that Russia "cannot let go" of the region, even as it becomes less relevant relative to China. The SCO, from China's perspective, contains the Russian instinct to stay involved in the region in a forum that China can, to a certain extent, control. Xia also said that in any case economic and security concerns are inseparable, and that cooperation on both is needed.

17. (C) Xia outlined a raft of economic initiatives, primarily bilateral in nature, that are facilitated by coordination under the SCO, including road and rail connections, pipelines, enhanced trade and travel links. As a particularly ambitious example, Xia cited ongoing efforts by Kazakhstan to find investors for its proposed highway linking western China to Europe. Xia called the SCO the "platform" for such economic cooperation and said that the development of this platform has led to a significant increase in Chinese investment in Central Asia. He counted 21 major Chinese projects in Central Asia that have come about through cooperation under the SCO.

18. (C) For the countries of Central Asia, Xia said,

the development of oil fields and energy infrastructure is clearly the primary goal of participation in the SCO. The SCO provides a forum for negotiating with Russia and China, and when necessary, enhances the smaller states' ability to play the two major powers off against one another. Xia stressed that, while oil prices are determined by the global market, Central Asia faces a simple strategic choice in the development of its oil infrastructure: the primary flow of exports will face east or west. He stressed that Beijing understands this and views the SCO as a mechanism for influencing this decision-making process. Chen Jiejun from the Ministry of State Security-affiliated China Institutes of Contemporary International Relations (CICIR) amplified this view, stating that for China, security goals rank last out of the four major areas of SCO interest: 1) developing political ties, 2) deepening economic links, 3) fostering cultural exchange, and 4) security cooperation. When pressed to address the significance of security coordination, he emphasized joint counter-narcotic activities and efforts to prevent ecological terrorism.

#### Simmering Contention

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¶9. (C) Xia said that the internal tension over the nature of SCO between China and other SCO members, particularly Russia, must eventually be resolved if the SCO is to move forward. Chen echoed this view, saying that the SCO suffers from a degree of "self-contradiction" stemming from "natural limitations" to Russia-China cooperation. Beijing, he insists, understands this well and is laying the groundwork to mitigate this problem in the future, although he declined to provide more specific information.

#### Concern over Western "Misunderstanding"

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¶10. (C) Chen expressed concern that the Western media "misunderstands" the SCO. He suggested that the SCO should seek opportunities to clarify the nature of the organization, perhaps via a symposium for scholars on both sides of the Pacific. He said China cannot deny

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that the United States continues to have significant influence in Central Asia, but that China does not view this as a threat. Chen denied that China is the primary driver of the SCO. The organization's name is an accident of history, and China provides the preponderance of funding for the Secretariat because China has more resources.

#### No Plans for New Members

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¶11. (C) Azizov emphasized that, technically speaking, the SCO has an "open structure" that does not preclude any country from joining. However, as a relatively new organization, a mechanism by which countries join has yet to be defined. Furthermore, membership may require "changes within the applying country." There are no immediate plans for expanding membership of the organization, Azizov said. The two Chinese scholars separately repeated this message. Azizov added that members are "still digesting" the outcome of the August Bishkek summit and thus could not comment on major initiatives the organization would undertake over the next year.

#### Afghanistan - The Wild Card?

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¶12. (C) Xia cautioned that enhancing stability in Afghanistan remains a critical priority for the region. Although Afghanistan is not a regular SCO member, it has observer status in the organization, and its proximity and instability makes member states nervous about its future. President Karzai's participation in the Bishkek summit underscored the importance of Afghanistan to SCO member states. Increased instability in Afghanistan would prove an important test of the willingness and ability of SCO member states to respond to a regional crisis, but might also highlight the limited ability of member states to coordinate a response.

Atmospherics

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¶13. (C) The three staffers we met at the SCO were all Central Asians -- two Uzbeks and one Tajik, none of whom spoke Chinese. The Secretariat is housed in a spartan villa in an up-and-coming area of Beijing, not far from the new U.S. Embassy compound. Although Xia, Chen and Azizov were willing to discuss the SCO with us, one of Xia's staffers asked with palpable suspicion why the United States should be interested in an organization in which it does not participate and should play no role.

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